

Easton Mayor Sal Panto, Jr.

STATE OF THE CITY

March 11, 2015

As you know I was a history teacher. As my favorite historian William Shakespeare said “What’s past is prologue.” Our history influences and sets the context for the present and the path for our future. I lived through the boom years of our city, the urban renewal years, the down years and now our renaissance years. The state of our city is bright --- brighter than anyone would have thought just 7 years ago.

To the people of Easton, thank you for giving me your trust and support. It has been a great privilege and a humbling responsibility.

To the many civic groups, organizations and other stakeholders, who have partnered with us, thank you for joining us on this journey. We are better when we work together.

To the members of city council and our City Controller, thank you for your commitment, service and leadership.

To my staff, the best assembled professionals in the history of the city. Thank you for all you do for our city – you make me look good.

To our city employees, thank you for your dedication and professionalism and your willingness to help us transform our city into the 21st century.

To my wife and family who put up with my schedule and the criticism that sometimes accompanies the position.

When we took office in 2008, Easton faced deep budget deficits; we were in the early intervention stages of Act 47; we had massive accounts receivable problems; 19th century technology; drastic tax increases, rising crime, increasing gang violence, a triple homicide just the month before my inauguration and deeply ingrained cynicism and a perception that never painted Easton in a good light. The first few years were very difficult years. People refused to believe in our city, our efforts and our ability to succeed.

But I stand here today, proud to say that we were able to solve the big problems, including large budget deficits which are now surpluses; out of control health care costs; lack of technology in city operations; an intermodal facility stalled by three Administrations; large and small vacant properties throughout the city; a former Silk mill that the city paid \$3.5 million for with no plan of how it was going to be developed and most importantly we recruited professional individuals to fill senior management positions to carry out our plan for resurgence.

We have proven our ability to solve the big problems and now we have begun to use this same energy and passion for our city to grow a more prosperous city for all of our residents.

In the past Easton has not had the luxury to look ahead. We were in survival mode. Today the city is reversing decade-long trends and we are expanding our economy, investing in an improved quality of life for residents and for the first time in many decades our population is growing.

But if we're standing still, / we're slipping / and I'm not interested in being a caretaker. I'm not interested in maintaining the status quo. Our Administration wants to build on our success, / not rest on our laurels. The vision, excitement, and momentum are in place for Easton to be an even better community.

In 2008 our Administration voiced a strong commitment to work toward a “Clean & Safe” City. This commitment, shared across departments and neighborhoods, continued to shape the City’s daily operations in 2014.

Last year saw a 5.24% decrease in crime in 2014, the 7th straight year of decreasing crime. Most importantly, the rate of serious crimes dropped 10.80%, while the rate of lesser crimes dropped 2.42%. Overall police calls for service decreased by 7.10%. These statistics illustrate a professional, committed, effective, community-minded Police Department, and led to high marks from the United States Department of Justice.

The Easton Fire Department set an impressive standard for professionalism, training and credentials. This standard begins with the leadership and extends through the ranks. The Fire Department responded to 1,612, with an average response time of just 4 minutes and 17 seconds. Of the \$14,602,600 of property involved in fire in 2014, only \$608,930, or approximately 4%, was lost and not one fire related fatality.

The Planning and Codes Department provides the vision, permitting, inspection and enforcement of building codes and land development proposals in the city. Last year saw the commencement of the adaptive re-use of the former Governor Wolf School and Phase II of the Pomeroy, the WEST building and the A&D building all into market rate apartments. Also the 10 new residential units on E. St. Joseph Street development, the Lafayette College School of Media and Film, Simon Silk Mill Phase III and the Hogtown building at Silk were a few of the larger projects that received final approval from the Planning Commission.

Last year, Codes staff reviewed over 2,200 permit applications and issued over 2,100 permits.

The City of Easton has become celebrated as a “foodie town” throughout the Lehigh Valley and beyond. The Bureau of Health issued 196 licenses. Health staff completed 178 routine inspections, 29 follow-up inspections, 13 opening inspections, and 3 change of ownership inspections. Compared to the volume of meals served, the volume of complaints was extremely low; only 3 complaint inspections were necessary. This low figure suggests that the Bureau of Health’s diligence ensures ongoing compliance and is complimentary to the restaurant owners themselves who strive to maintain their high sanitary standards.

The City of Easton’s diverse and historic building stock is one of its greatest assets, and maintaining the quality of buildings and housing is essential to ensuring positive perceptions of the City and most importantly – keeping our residents safe. In 2014, Codes & Inspections staff responded to 2,690 complaints and issued 1,118 violations.

The Rental Licensing & Inspection Program is central to this essential effort of maintaining fine apartments. Every rental unit in the City must be licensed annually and is subject to periodic inspections. In 2014, staff issued 4,732 rental unit registrations and completed 2,183 inspections, ensuring the safety and habitability of the City’s rental units and tenants.

Vacant properties that threaten the public health, safety, and general welfare through persistent neglect and code compliance issues are addressed through the Certification of Blight process in the hope that the owner fixes the property or we take it and sell it to a bona fide developer. Our success ratio has been good and will be expanded.

A strong financial picture and a healthy real estate development market equal a resilient City. The Department of Finance continued an ongoing record of skillful fiscal management. The City’s 2013 audit revealed a General Fund surplus of over \$336,000 – the sixth consecutive surplus. The City also maintained its “A+” Standard & Poor’s credit rating and our vigorous collection program managed to collect \$2.2 million in past due utility bills and real estate taxes.

The City increased the convenience and efficiency of utility bill, real estate tax, and parking fine payment processing, adopting lock box payment processing and introducing credit card payment. New options were introduced for parking ticket decriminalization and payment, also allowing recipients to pay fines online or via a payment kiosk in City Hall.

The Bureau of Information Technology plays an essential role implementing new technologies to optimize our operations. Last year was a very productive year. Online systems were implemented for recreation registration and parking ticket payment. City facilities received Internet and phone infrastructure upgrades saving more than \$70,000 annually. The City contracted with third-party firms for bulk mailing, payroll processing, and hired a third-party firm to implement a comprehensive software solution to streamline the Bureau of Codes.

The Department of Public Works continued its program of diligent maintenance of road, storm water, and sewer infrastructure, ensuring the seamless receipt of public services by City of Easton residents and visitors. We continue to improve upon the city's walkability. This year will see the conversion of Fourth St. to 2-way traffic, and improvements to Centre Square. Our priority project for the state transportation money allocated to the Lehigh Valley is the reconfiguration of the US-22 / Wood Avenue / N. 13th Street intersection. Additionally, a new soccer/lacrosse field was built at Heil Park the design phase for a major upgrade at Hugh Moore Park was completed with construction starting this year.

To encourage additional recycling the city is now a participant in the Recycle Bank program. Residents who earned 1,000 points were awarded a certificate for one month of free trash and recycling worth \$30. More than 400 households took advantage of the credit. Residents can also earn gift certificates as well. We need to increase our recycling efforts and this program rewards resident for recycling – the only one in the valley.

The Department of Economic and Community Development continues to provide tens of millions of dollars of new investment in our real estate, both commercially and residentially. The last seven years has seen unprecedented investment of more than \$400 million in the City of Easton, and 2014 was no exception to this trend. The public and private sectors initiated a range of projects that promise to make the City more exciting and livable.

Infrastructure construction at the Simon Silk Mill progressed throughout 2014, and was nearly complete by the end of the year and construction will begin on the initial round of apartments, offices and commercial spaces. Phase III, proposing additional apartment and office development, received approvals from the Easton Planning Commission and Easton Zoning Hearing Board in 2014. The Simon Silk Mill's vision for a mixed use community around the arts and creative industries received major regional recognition in October when the Lehigh Valley Planning Commission named the project the Winner of the Lehigh Valley Award for *Revitalization Project*. The Simon Silk Mill project extends the Easton "Renaissance" outward, creating a lively node of urban fabric in the City's West Ward.

The department enjoyed an active year of developing high- quality housing. Environmental remediation work was completed at 118–120 Northampton Street and these buildings are under agreement of sale to a private developer for redevelopment into apartments in 2015. The Redevelopment Authority sold renovated homes at 686 Pine Street and 940 Ferry Street to owner occupants in 2014. Renovation projects ongoing throughout 2014 included 617 Ferry Street, 842 Ferry Street, 676 Pine Street, and 1209 Bushkill Street. The Redevelopment Authority continued a partnership with the nonprofit Lehigh Valley Community Land Trust, breaking ground on new construction of a townhouse development on Pine Street. These smaller projects provide the impetus for more people to move into this neighborhood. An interesting fact – the area from 5th to 7th Street has actually witnessed an increase in real estate values – that's success!

Residential investment in our neighborhoods grows the housing stock in the City of Easton. The Lehigh Valley Planning Commission projects the City of Easton will gain over 7,000 residents by 2040, reaching a population of approximately 34,000. Growing our population not only benefits our neighborhoods but also allows for new dollars so that existing residents' taxes and fees can remain flat. In 2014 additional population provided for an additional increase of \$200,000 in trash and sanitary sewer revenue alone. The LVPC also released their findings that of the 62 municipalities in the Lehigh Valley, Easton leads all others in growth in the 25 – 35 age group. Growing our population and businesses is one of the reasons we have been able to maintain level fees and taxation.

Easton is a city of rich diversity. We are artists, innovators and established business leaders, educators, manufacturers, and retailers. We are visionaries. We are risk-takers who start small businesses and flood the city with entrepreneurial potential. We are workers with a rich labor tradition of standing in solidarity with each other. We are engaged citizens, active in improving our neighborhoods and our environment. We are dedicated educators and hardworking public servants. We are immigrants from all across the globe, making the promise of the American dream a reality each and every day. We are a city too diverse to completely describe.

We are also a city that shares a common vision. We want our city to be clean and safe. We want our city to be affordable and to provide opportunities for people of all backgrounds to live in the city, raise a healthy family, and lead a productive, fulfilling life. We all want our city to be vibrant, with clean and healthy neighborhoods, active, livable neighborhoods, and a thriving economy that grows from the center out and from the neighborhoods to the center. And we want an innovative, accountable city government that delivers on its public commitments smartly and transparently, while harnessing the power of technology.

Easton works best when we work together, when we focus on the goals we share in common rather than the differences that may divide us. Through collaboration, and with a focus on practical solutions rather than politics, on innovation rather than ideology, together we can realize this vision and make Easton a safe, affordable, vibrant and an interconnected city for all.

Our City is becoming the envy of the region and we're getting better every day! Crime is down, our credit rating is up, exciting businesses are moving in, new parks are being built, we're investing in our infrastructure, and our population is growing. There is a lot to be hopeful for, I am excited for what our future holds.

Our success is being recognized beyond the Valley. Last year we received several prestigious awards including: 2014 Pennsylvania Green Park Award for Sullivan Park. Lehigh Valley Award for *Revitalization Project* for Silk: A Creative Community and the Karl Stirner Arts Trail and Nevin Park fountain project received Honorable Mention for the Parks category. Fodor's named BaconFEST one of the Top 300 Festivals in the World. The Pennsylvania Horticultural Society Community Greening Award was given to the Urban Farm and Community Gardens in West Ward. Finance Director Chris Heagele received the Lehigh Valley Business Journal CFO of the Year as a Turn Around Specialist. Personally I received several awards all related to the success of our city including Government Official of the Year from Preservation Pennsylvania and the Diversity Pennsylvania LGBT Government Official of the Year.

So, if Shakespeare was right and the past is prologue, how will our successful recent past help plan our future. Our goals for this year first and foremost are to continue our commitment to Clean and Safe. We need to strengthen and engage our greatest assets -- our neighborhoods. We've seen success with our housing rehab program and that program must not only continue, it needs to be expanded.

We must provide a Culture of Clean and increase our code enforcement and hold negligent property owners accountable. To that end I recommended to City Council that the Codes Department be segregated from the Planning and Zoning Department and the Chief Code Officer actually become a sitting Director. The associates in the codes department work diligently to make our city cleaner but we need to put a full court press on negligent property owners. New software and laptops will give the code officers the tools to be more efficient and therefore increase the number of inspections and follow up.

We must continue to further a climate for private investment so we must continue to manage our finances in a manner that continues to hold the line on taxes and fees while streamlining the efficiency of the delivery of our services making our city a destination for residents, businesses and visitors.

Funding for the West Ward Neighborhood Partnership expires this year and it is imperative that this program continues. Significant strides have been made over the last ten years and now is not the time to quit. Alan Jennings and I are working on the funding aspect of the program.

This year we will be several significant economic development projects come on line this year that will bring attention to once vacated parts of our city. These include Lafayette College's Film and Media School on North Third Street; City Hall and our much-needed new Parking Garage on South Third Street and Silk: A Creative Community in our West Ward.

We are also in the process of locating and designing a new police facility and designing and building another parking garage on North Fourth Street. Once the police department is relocated, we will start discussions on replacing the 45 year old steel parking garage. The current vision is for the 550-car garage to be replaced with a smaller garage, moved further north narrowing the 50 foot wide Pine Street and making building lots available on South Third Street and potentially Ferry Street.

And later this week we should be finalizing our first lease for a new business to come to Easton in the first floor of our new City Hall building. And the interest in the Alpha Building is amazing as I met with two prospective tenants just this week.

Lastly, we have to work on rebranding our city. We need to tell the world about the quality of life we have in Easton and reduce the cynicism that still exists, even by some of our own residents. We have evolved into a place that people want to live and visit. And we have evolved into place that people and businesses want to be a part of. Crayola stayed and invested millions of dollars in our city and now attracts more than 400,000 people annually. And the beautiful and historic State Theatre, once having to explain where it was, now has the tag line, "Big City Entertainment...Easton style."

The State of our City is vital, resurgent and strong, and we are moving in the right direction. I am honored and humbled to serve the people of Easton as your Mayor.

Thank You